

**MINUTES OF MEETING  
COMMON COUNCIL  
CITY OF MONTICELLO  
FEBRUARY 06, 2006**

The regular meeting of the City of Monticello, Indiana Common Council was held on February 06, 2006 in the Council Chambers of the City Building at 6:00PM. The meeting was called to order by Mayor Robert Fox and opened with the Pledge of Allegiance.

Roll call by Clerk Treasurer Rennatta Berkshire was answered by Mayor Robert Fox, City Attorney George Loy, Councilpersons Grace Oilar, Bud Mummert, Jim Mann, Jay Clawson.

There being no additions, deletions or corrections to the minutes of the regular meeting of January 17, 2006, a motion was made by Councilperson Oilar seconded by Councilperson Mann to accept the minutes as presented. Roll call vote: all aye.

**Area IV Development, Inc. Tax Abatement Request**

Mr. David Diener, President of the Monticello Economic Development Commission, reported the commission had taken into consideration the request by Area IV for tax abatement for the proposed three story thirty three unit low to moderate senior housing complex. The commission voted to recommend to the Council consideration of tax abatement for the project. Attorney Loy informed the Council that tax abatement could be considered on a residential multifamily facility that contains at least twenty percent (20%) of the units available for use by low and moderate income individuals (IC 6-1.1-12.1-3). Ms. Sharon Wood from Area IV said that this project is classified as a section 42 or tax credit project under HUD. It is a project that 99% of the investment comes from a syndicator who brings banks and other large corporations of people who want to invest their money into the project and the 1% is owned by the people who do the work. In this project, 51% would be Area IV Development and 49% would be Heritage Medical Group. There are thresholds for people's eligibility for housing which are 80%, 60% and 40% of median income. For example; a 40% median income for a one person household would be \$14,900; 60% is about \$22,000 and 80% is about \$29,500. There are also a number of units for each level as well as units for disabled and fair market residents. There will be 11 units on each level with an elevator. It is a relatively tall building but since many of the homes in the area are 2 story this building will fit in and hopefully they will be able to keep as many of the large trees as possible. Their goal is to create a campus for people who may want to be in an area where the nursing home and assisted living center is located. She said that typically persons that are aging would be moving from large homes that they can no longer maintain and this will open up housing stock for the real estate market. The age limit is 62 and up but there is no age limit on disabled persons or fair market rate apartments. There will be both one and two bedroom apartments. A couple with a median income of 80% in White County would be \$34,000. Ms. Wood said the agency is waiting for the market survey as that is being done by a professional group. She said when they receive the study they will share it with the City as it could help with future planning as well as determining if this project is feasible. They hope to receive it by the end of the week. Councilperson Clawson said he thought the survey should have been completed before the Council was approached for a decision on tax abatement. Ms. Wood said they did do some research before meeting with the Mayor and one was that they are a partner in the Canterbury housing project located off of Fisher Street behind Kroger and found that the occupancy rate was satisfactory. Ms. Wood said that they will try to use as much local labor and materials as they can and when the project is finished 2-3 people will be employed to maintain and oversee the building. The proposal needs to be completed and turned in by March 1<sup>st</sup>. Ms. Wood said that the decision is made on a point system and by the Council approving a tax abatement and support for the project; they would have a better chance at securing the funds for the project. Ms. Wood said that in order get the project built Area IV and their partner are deferring a portion of their developer fee to make sure the project gets built properly. So one thing the tax abatement does is allow them to recoup some of that and the money goes directly to Area IV for programs and services. Councilperson Oilar suggested that if they could get the market study to them the next meeting is February 21<sup>st</sup> which would give the Council more time to review the study and the proposal. Ms. Wood said that in order to get the proposal in by the deadline, they need a letter from the City supporting the project and giving them tax abatement for the requested 8 years. Attorney Loy said that since the procedure for tax abatement requires a Declaratory Resolution, a public hearing, and a Confirmatory Resolution it would require a special meeting unless the Council wanted to pass the Declaratory Resolution at this meeting. The notice would be published in the paper at least 10 days before the meeting of the 21<sup>st</sup> at which time the public hearing would be held and

possible passage of the Confirmatory Resolution. Councilperson Clawson voiced concern that if the Council approved the designation of the ERA and 8 year tax abatement and if Area IV did not get funding for the project, could someone else than request tax abatement for that area. Attorney Loy said the resolution will specifically name Area IV and this project exclusively for the area to be designated as an ERA and eligible for tax abatement. Councilperson Clawson said that he would like more time before being approached for a decision and feels that this will set a precedent for others who want to do similar projects. Councilperson Mann said that he agrees that they should have the survey before making a final decision but is looking at how to accommodate the time frame for Area IV. Councilperson Oilar said the Council has been put in this position before of being asked for a quick decision because of someone else's deadline and she would like to know why this happens rather than Area IV coming to the Council in January thereby giving ample time to make a decision. Ms. Wood said that they had to wait until the qualified plan was distributed to let them know what they needed on the application and because of the restructuring of the Indiana Housing Finance Authority it took a long time this year. A motion was made by Councilperson Mann seconded by Councilperson Oilar to pass Resolution 2006-01, A Declaratory Resolution, for an eight (8) year abatement for the type of facility described in Section 11A of IC 6-1.1-12.1-3 and to set February 21, 2006 at 6PM for the public hearing and possible adoption of Confirmatory Resolution 2006-02. Roll call vote: Councilpersons Oilar, Mummert and Mann, aye; Councilperson Clawson, nay. Motion passed and Resolution 2006-01 adopted.

#### **Return Outdated Checks to Various Funds**

A motion was made by Councilperson Oilar seconded by Councilperson Clawson to permit Clerk Treasurer Berkshire to return the outdated checks as listed to the various funds. Roll call vote: all aye.

#### **Fire Alarm System, Fire Department**

Chief Logan said that the fire alarm system at the fire department has quit working. The estimated cost of repair is over \$2,000. The system was installed July 1994 with an estimated lifetime of 12-20 years. Chief Logan received two (2) quotes for installing a new addressable system; Liberty Sound and Electronics, Inc., \$4,700 and Brenneco, Inc., \$9,680. Clerk Treasurer Berkshire will review the Council budget for 2006 to find if there are adequate funds to pay for the new system. A motion was made by Councilperson Oilar seconded by Councilperson Clawson to replace the old fire alarm system with the new addressable system as quoted by Liberty Sound and Electronics, Inc. for \$4,700 to be paid for from the Council budget. Roll call vote: all aye.

There being no further business, meeting adjourned at 7:00PM.

Rennatta Berkshire, IAMC, CMC, MM1  
Clerk Treasurer